



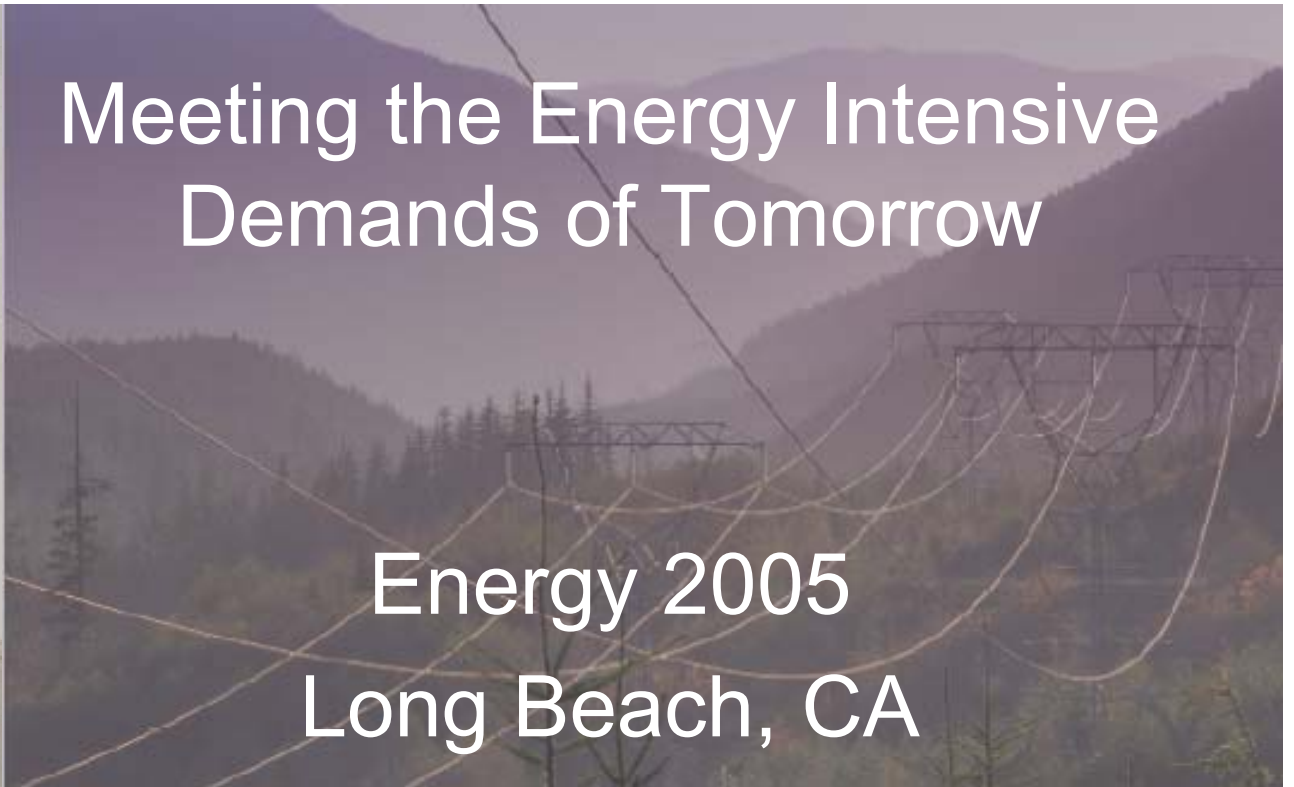
Energy Center of Expertise



The Energy Center of Expertise

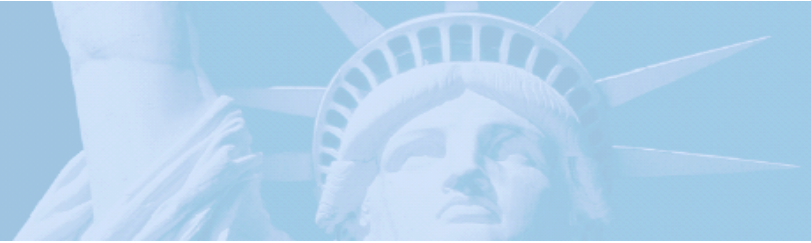


Meeting the Energy Intensive
Demands of Tomorrow



Energy 2005
Long Beach, CA





Summary of Activities

- Government-Wide Responsibility for Regulated Utility Procurement
- Utility Data Collection and Reporting
- Natural Gas Acquisition Program
- Deregulated Electricity Procurement
- Energy Management



Government-Wide Regulated Utilities

- GSA is **authorized** by sec. 201 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C.481), **to prescribe policies and methods governing the acquisition and supply of utility services for Federal agencies.**
- This authority includes related functions such as **managing public utility services and representing Federal agencies in proceedings before Federal and state regulatory bodies.**
- GSA is authorized by section 201 of the Act to contract for utility services for periods not exceeding ten years.



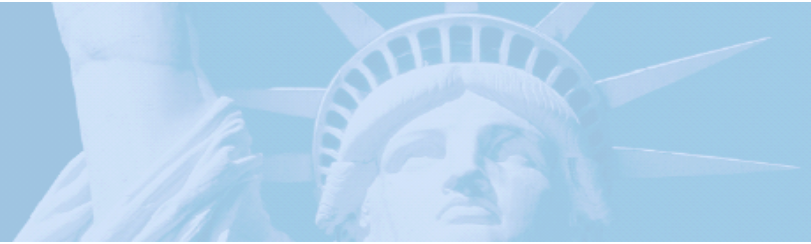
FAR 41.203

- **FAR Part 41.203 “GSA will, upon request, provide technical and acquisition assistance, or will delegate its contracting authority for the furnishing of utility services for any Federal agency.”**



Areawide Utility Contracts

- GSA Energy Center maintains contracts with 160 regulated public utility companies for use by GSA and other Agencies.
- Provides guidance and assistance to customer Agencies.
- Some contracts include ability to perform demand reducing energy projects.



Delegating Utility Authority

- GSA has delegated its utility authority to enter into new contracts for periods not exceeding ten years to DOD and DOE, and for connection charges only to VA.
- Other agencies requiring utility service contracts for periods over one year, but not exceeding ten years, may request a delegation of authority from GSA.
- In keeping with its statutory authority, GSA will, as necessary, conduct reviews of delegated agencies' acquisitions of utility services to ensure compliance with the terms of the delegation and applicable laws and regulations.



Utility Data Collection and Reporting

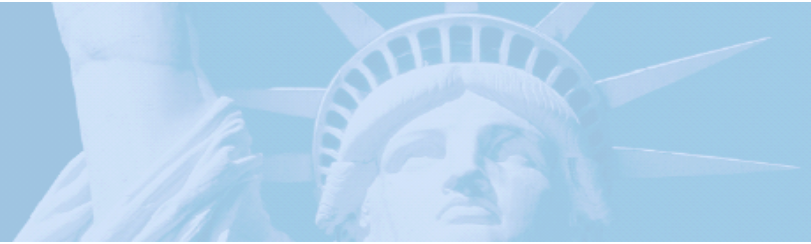
- GSA is required by NECPA (as amended) to report progress toward mandated energy reduction goals in the Annual Report to Congress
- Staff of the National Energy and Water Management Center in Fort Worth, TX input data into the Energy Usage and Analysis System (EUAS) database



Natural Gas Acquisition Program

- Provides deregulated natural gas services to the burner-tip, not just the city gate
- Manages contracts for supply for multiple Agencies
- Purchases gas as a commodity through a reverse-auction platform, obtaining the lowest possible price on the open market





Natural Gas Acquisition Program

- Contracting office that acts quickly to respond to the requirements of the market
- Works with customers to insure the Government is getting what it is paying for
- Provides expertise in working with local distribution companies (LDCs)





De-regulated Electricity Purchases

- The Energy Center takes advantage of competitive electricity markets to provide better value to customers throughout the government
- Competitive procedures are also used to procure “renewable” electricity for multiple customers





De-Regulated Electricity

- Contracting office that acts quickly to respond to the requirements of the market
- Takes advantage of aggregating customers to obtain the best value
- Flexible contracts – some have built-in market-based demand response



FAR Part 12 – Acquisition of Commercial Items

Acquisition of competitive Natural Gas Supply and ancillary services

- Contracts for commercial items are subject to other parts – if conflict, FAR Part 12 prevails
- Allows Response to RFP to be less than 30 days
- Past Performance is a key evaluation element
- Contract types limited to Firm Fixed Price (FFP) or Fixed Price with economic price adjustment
- Cost Accounting Standards (CAS) does not apply to commercial item contracts and subcontracts

Use S.F. 1449 for contract and delivery order

NGAP Services – Procurement

NGAP uses reverse auctions to:

- Structure bid price by LDC rate class, Federal agency, etc.
- Creative maximum price competition
- Secure the lowest price that meets government requirements
 - Firm Fixed Price with 10% up/down tolerance
 - Index based option tied to Henry Hub
- Shorten time to award (same day or within 24 hours)

This results in savings for NGAP Customers!



Energy Center of Expertise

WorldEnergy
Tap The Power Of Intelligence

Start Sites Contracts **RFPs** Markets Reports

[View RFP](#) | [Bid History](#)

RFP Bid History: 1319 - Natural Gas

NGAP-GSA

Auction Information

Auction Start Time: 8/2/2004 8:00:00 AM EST
Auction End Time: 8/3/2004 1:45:00 PM EST
Opening Bid (\$/Dth): 9.00000
Low Bid (\$/Dth): 7.50000

RFP Status: **Closed: Awarded**
Time Left: **Auction Ended**
Total Bids: 7
Low Bidder: **Pepco Energy Services**

Auction Generated Savings

First Bid (\$/Dth): 9
Best Bid (\$/Dth): 7.5
Your Annual Usage: 20,493 Dth
Annual Cost First Bid: \$184,437.00
Annual Cost Best Bid: \$153,697.50

Annual Auction Generated Savings :

\$30,739.50 or 16.67 %

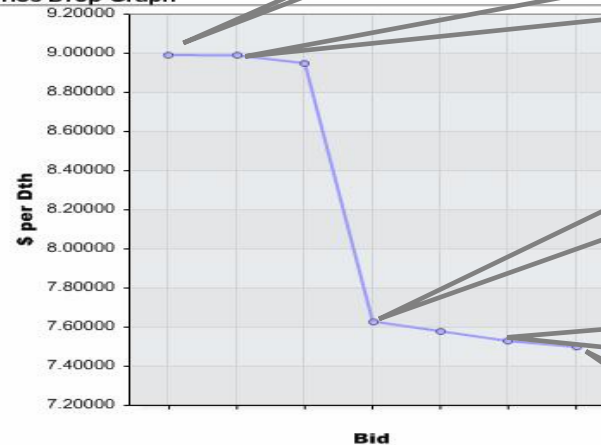
Market Benchmark Savings

Price-to-Compare (\$/Dth): 8.5
Best Bid (\$/Dth): 7.5
Your Annual Usage: 20,493 Dth
Annual Cost Price-to-Compare: \$174,190.50
Annual Cost Auction Price: \$153,697.50

Annual Market Benchmark Savings :

\$20,493.00 or 11.76 %

Price Drop Graph



Supplier 1 bids

Supplier 2 enters lower price

Supplier 4 enters lower price

Supplier 2 sets new low price

Supplier 1 wins auction


Supplier Bid History

Total Bids in View: 7

Supplier Company	Bid Amount	Date and Time of Bid
Supplier 1	7.50000	8/3/2004 1:44:52 PM
Supplier 2	7.53000	8/3/2004 1:44:54 PM
Supplier 3	7.58000	8/3/2004 1:44:59 PM
Supplier 4	7.63000	8/3/2004 1:41:28 PM
Supplier 5	8.95000	8/3/2004 1:41:11 PM
Supplier 3	8.99000	8/3/2004 1:41:46 PM
Supplier 1	8.99190	8/3/2004 11:08:10 AM

NGAP – Energy Management Services

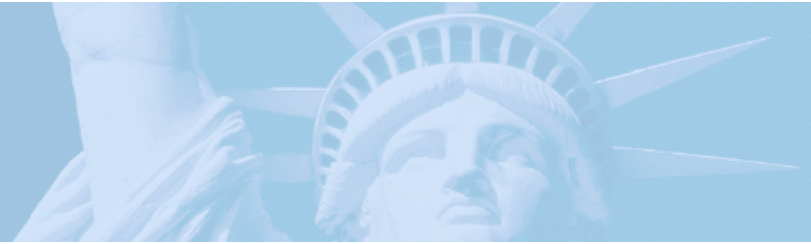
Utilities Specialists monitor and manage energy resource needs on behalf of its federal customers. They manage and guide facilities through each phase, including:

- Reviewing energy supplier invoices for completeness and accuracy prior to payment
 - Ensuring that the correct amount of natural gas is procured on behalf of the facility
- 
- A stylized, light blue representation of the American flag, featuring wavy horizontal stripes and a field of stars, located at the bottom of the slide.

NGAP Recent Successes

Auctions conducted for 10 of 11 GSA regions by NGAP between August 2004 and September 2004

- 27 States, 28 Suppliers Submitted Bids
- 1,762 Bids received
- Accounts located in 57 utility company territories



NGAP Recent Successes

To date, success rate of gas auctions is 90%!

- 295 accounts served
- 95% of awards were for Firm Fixed Prices

All of this resulted in one and two year contracts to minimize upside market cost risk to NGAP customers



GSA

Summary – Clients

Energy Center of Expertise

Energy Center of Expertise



The United States Mint
U.S. Department of the Treasury



Smithsonian Institution



DATED MAY 2005

SUMMARY OF GSA ENERGY CENTER'S COMPETITIVE POWER CONTRACTS ACROSS THE NATION

FIGURES INCLUDE ONLY THE DEREGULATED OR COMPETITIVE PORTION OF SERVICE

INCLUDES USAGE OF ALL AGENCIES INCLUDED IN CONTRACT

<u>LOCATION</u>	<u>CONTRACTOR</u>	<u>TOTAL</u> <u>ANNUAL KWH</u>	<u>TOTAL</u> <u>ANNUAL VALUE</u>	<u>AVG. \$/KWH</u>
DC	Pepco Energy Svcs	1,747,768,000	\$106,416,206	\$0.0609
MD	ConstellationNewEnergy	458,122,000	\$22,744,188	\$0.0597
Baltimore	Pepco Energy Svcs	250,000,000	\$14,750,000	\$0.0590
Pittsburgh	Duquesne Light Energy	17,427,810	\$1,059,611	\$0.0608
NJ - Liberty/Ellis	FirstEnergy Solutions	8,526,400	\$507,300	\$0.0595
NJ - Region 2	Pepco Energy Svcs	18,000,000	\$1,186,495	\$0.0659
NJ - Region 3	Pepco Energy Svcs	20,195,965	\$1,312,738	\$0.0650
New York City area	ConstellationNewEnergy	302,445,000	\$29,675,535	\$0.0981
New York City area	Liberty Power Corp.	3,460,000	\$260,870	\$0.0754
New York City area	ConEdison Solutions	82,000	\$9,700	\$0.1185
Upstate NY	Select Energy	50,000,000	\$3,000,000	\$0.0602
Albany, NY	ConstellationNewEnergy	17,829,104	\$1,267,649	\$0.0711
Upstate NY	Amerada Hess Corp	36,048,482	\$2,200,481	\$0.0610
MA (large acct)	TransCanada Power	249,065,312	\$17,779,559	\$0.0714
Maine	ConstellationNewEnergy	13,868,157	\$901,430	\$0.0650
MA (small acct)	Select Energy	12,228,000	\$860,730	\$0.0704
PA	Green Mountain Energy	3,792,000	\$208,557	\$0.0550
MI	FirstEnergy Solutions	26,998,537	\$1,579,414	\$0.0585
MI/OH	Strategic Energy	17,178,000	\$937,667	\$0.0546
TX	Gexa Energy	6,181,427	\$387,884	\$0.0627
TX	Utility Choice	20,260,271	\$1,225,746	\$0.0605
TX	Gexa Energy	43,000,000	\$2,494,000	\$0.0580
TX	Tractabel Energy	77,000,000	\$4,141,000	\$0.0538
DC/MD cogen	Pepco Energy Svcs	15,000,000	\$900,000	\$0.0600
		3,414,476,465	\$215,806,760	\$0.0632



Energy Center of Expertise

